

Quarterly National Accounts – Flash Estimate
First Quarter 2018

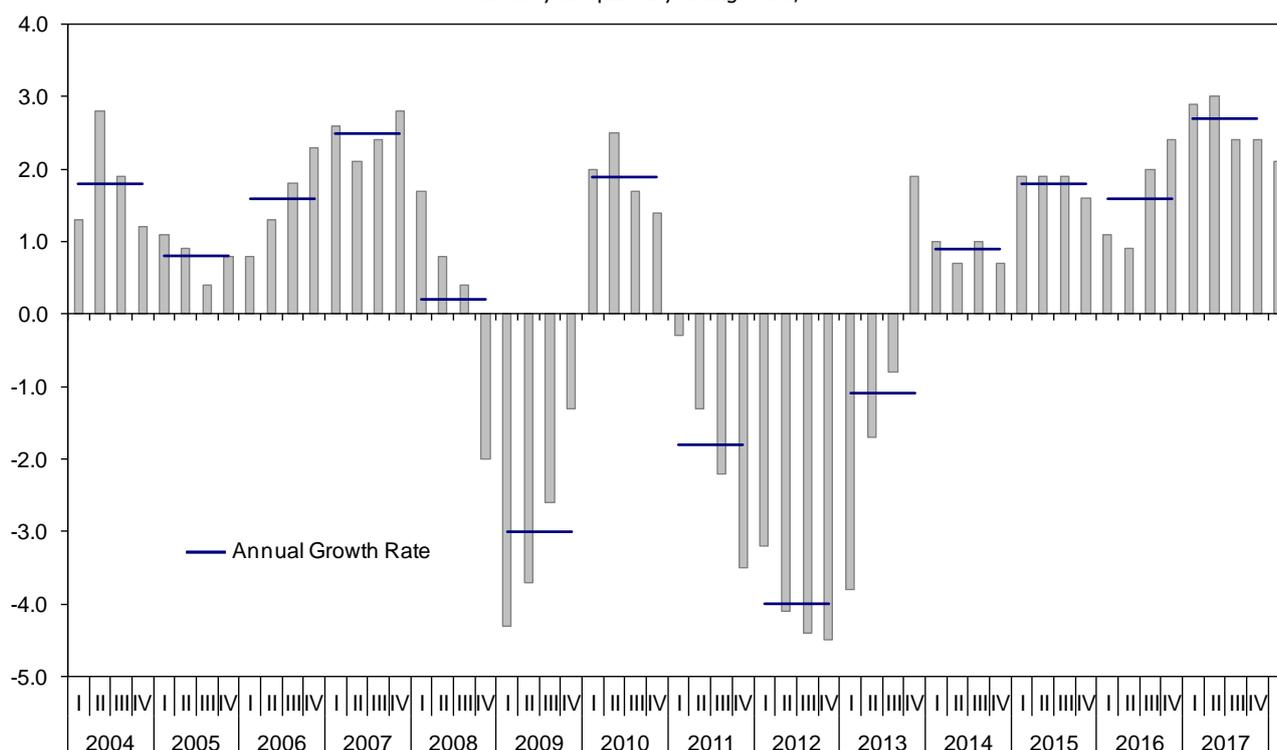
GDP grew 2.1% year-on-year

The Portuguese Gross Domestic Product (GDP) increased by 2.1% in volume in the first quarter 2018, compared with the same period of 2017 (2.4% in the previous quarter). Net external demand registered a more negative contribution to GDP year-on-year change rate, as Exports of Goods and Services decelerated more pronouncedly than Imports of Goods and Services. The positive contribution of domestic demand remained unchanged, reflecting the slight slowdown of private consumption, while Investment registered a minor acceleration due to the behaviour of Change in Inventories, reflecting the negative base effect recorded in the first quarter 2017.

In comparison with the fourth quarter of 2017, GDP increased 0.4% in real terms (0.7% in the previous quarter). The contribution of net external demand to quarter-on-quarter GDP change rate was negative, after being positive in the previous quarter, as a result of the higher increase in Imports of Goods and Services than in Exports of Goods and Services. The positive domestic demand contribution increased in the first quarter, due to the acceleration of Gross Fixed Capital Formation and private consumption.

Gross Domestic Product

Chain-linked volume data (reference year=2011)
Year-on-year quarterly change rate, %



This flash estimate includes revisions in the basic data, particularly due to updated information on external trade of goods. Despite this new set of information, the GDP year-on-year and quarter-on-quarter change rates remained unchanged.

Gross Domestic Product

Chain linked volume data (reference year=2011)

	Flash Estimate								
	1Q 16	2Q 16	3Q 16	4Q 16	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18
Year-on-Year Quarterly Growth Rate (%)	1.1	0.9	2.0	2.4	2.9	3.0	2.4	2.4	2.1
Quarter-on-Quarter Growth Rate (%)	0.2	0.2	1.2	0.7	0.7	0.3	0.6	0.7	0.4

	2015	2016	2017
Annual Growth Rate (%)	1.8	1.6	2.7

2015: final data; 2016: provisional data; 2017: preliminary data

Methodological information about the flash estimates

Flash estimates for GDP constitute the first synthetic indication on the quarterly behaviour for the Portuguese economy and do not replace the main estimates of Quarterly National Accounts (also designated as current estimates), more accurate and detailed, which are published at t+2 months (approximately 60 days) after the end of the reference quarter.

These flash estimates are calculated using the same methodology, and preferably the same basic information, compared to the Quarterly National Accounts current estimate. The percentage of basic information available for flash estimates is over 80%. Methods for imputation and forecasting are used in the cases where basic information is not complete, selected after a series of tests performed over a large sample. One must take into consideration that the flash estimates might be subject to larger revisions (when compared to current estimates), although the percentage of basic information available is high.

In the real time tests carried out from the second quarter 2005 onwards, the mean absolute error for the flash estimate was 0.1 percentage points for both year-on-year quarterly change rate and quarter-on-quarter change rate, when compared to the current estimate. However, it must be stressed that in the current economic juncture, characterized by significant price decelerations or even reductions, the difficulty in measuring the behaviour of main macroeconomic aggregates is particularly high, mainly in splitting the nominal change of exports and imports in price and volume changes. It should be reminded that the usual information on external trade deflators used in the compilation of the current estimates of the Quarterly National Accounts is not available when this flash estimate is produced.

This press release only includes information on quarter-on-quarter and year-on-year quarterly change rates in real terms. Change rates included in this press release are calculated from chain-linked volume data (2011=100). Data are calendar and seasonally adjusted.

Next Press Release of Quarterly National Accounts

Current estimates of Quarterly National Accounts (detailed results) for the first quarter 2018 will be published in 30th May 2018.